



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



FILE COPY

DARLENE GREEN  
Comptroller

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Internal Audit Executive

*Internal Audit Section*

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October 13, 2010

Shavette Wayne, Executive Director  
Hamilton Heights Neighborhood Organization, Inc.  
5500 Natural Bridge  
St. Louis, MO 63120

RE: Community Development Block Grant (CDBG) (Project #2010-CDA37)

Dear Ms. Wayne:

Enclosed is the report of the fiscal monitoring review of Hamilton Heights Neighborhood Organization, Inc., a not-for-profit organization, CDBG program, for the period January 1, 2009 through December 31, 2009. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of Hamilton Heights Neighborhood Organization, Inc. Fieldwork was completed on May 6, 2010.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the Community Development Administration (CDA) to provide fiscal monitoring to all grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at (314) 622-4723.

Sincerely,

Dr. Kenneth M. Stone, CPA  
Internal Audit Executive

Enclosure

cc: Jill Claybour, Acting Executive Director, CDA  
Lorna Alexander, Special Assistant for Development, CDA



# CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

**HAMILTON HEIGHTS NEIGHBORHOOD ORGANIZATION, INC.  
CONTRACT #09-31-48 AND #09-36-16  
CFDA #14.218**

**FISCAL MONITORING REVIEW**

**JANUARY 1, 2009 THROUGH DECEMBER 31, 2009**

**PROJECT #2010-CDA37**

**DATE ISSUED: OCTOBER 13, 2010**

**Prepared by:  
The Internal Audit Section**



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS**  
**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)**  
**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**  
**HAMILTON HEIGHTS NEIGHBORHOOD ORGANIZATION, INC.**  
**FISCAL MONITORING REVIEW**  
**JANUARY 1, 2009 THROUGH DECEMBER 31, 2009**

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## **INTRODUCTION**

### **Background**

**Contract Name:** Hamilton Heights Neighborhood Organization, Inc.

**Contract Numbers:** 09-31-48 and 09-36-16

**CFDA Number:** 14.218

**Contract Period:** January 1, 2009 through December 31, 2009

**Contract Amounts:** \$130,000 and \$50,000

These contracts provided Community Development Block Grant (CDBG) funds to Hamilton Heights Neighborhood Organization, Inc. (Agency) to reclaim vacant housing, initiate new construction, and combat physical deterioration of existing housing.

### **Purpose**

The purpose of the review was to determine the Agency's compliance with federal, state, and local Community Development Administration (CDA) requirements for the period January 1, 2009 through December 31, 2009, and make recommendations for improvements as considered necessary.

### **Scope and Methodology**

Inquiries were made regarding the Agency's internal controls relating to the grant administered by CDA. Evidence was tested supporting the reports the Agency submitted to CDA and other procedures were performed as considered necessary. Fieldwork was completed on May 6, 2010.

### **Exit Conference**

There were no current observations; therefore, an exit conference was not considered necessary.

## **SUMMARY OF OBSERVATIONS**

### **Conclusion**

No evidence was found to suggest that the Agency did not fully comply with federal, state, and local CDA requirements.

### **Status of Prior Observations**

The Agency's previous fiscal monitoring report, Project #2009-CDA59, issued September 1, 2009, contained two observations:

1. Opportunity to improve board of directors' oversight.**(Resolved)**
2. Opportunity to file IRS Form 990 in a timely manner.**(Resolved)**

### **A-133 Status**

According to a letter received from the Agency dated May 5, 2010, it did not expend \$500,000 or more in federal funds in its fiscal year ended December 31, 2009; therefore, it was not required to have an A-133 audit.

### **Summary of Current Observations**

There were no current observations.